

ORIGINAL

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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:
UNITED STATES OF AMERICA :
:
- v. : INFORMATION
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VERONICA TOBIN, : S6 10 Cr. 510 (CS)
a/k/a "Veronica Jackson," :
:
Defendant. :
:
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COUNT ONE

(Conspiracy to Commit Mail and Wire Fraud)

The United States Attorney charges:

Relevant Entity and Individuals

1. At all times relevant to this Information, Revelations Consulting LLC ("Revelations") was a limited liability company that maintained at least one place of business in New Jersey. At times relevant to this Information, Revelations did business under the name "Foreclosure Club of America."

2. From in or about early 2007 through in or about February 2011, VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, worked at Revelations.

Background

3. A bankruptcy filed under Chapter 13 of the United States Bankruptcy Code enables debtors with income to develop a plan to repay all or part of their debts. Under Chapter 13, debtors propose a plan to make installment payments to creditors

until their debts are repaid. During the time covered by the Chapter 13 repayment plan, federal law forbids creditors from starting or continuing collection efforts. By filing under Chapter 13, debtors can stop foreclosure proceedings and may cure delinquent mortgage payments over time. Debtors must, however, make all mortgage payments that come due during the time period covered by the repayment plan.

4. In order to file a Chapter 13 bankruptcy, a debtor typically completes a voluntary petition form which lists, among other things, the debtor's basic personal identification information. In addition, the debtor is required to complete supporting schedules which list the debtor's assets, liabilities, income, and expenditures.

5. Since in or about October 2004, in order to file a Chapter 13 bankruptcy petition, a debtor must also complete Exhibit D to the bankruptcy petition. Exhibit D requires the debtor to certify, under penalty of perjury, that s/he has complied with a credit counseling requirement. The credit counseling requirement requires debtors to receive a briefing from a credit counseling agency approved by the United States Trustee or bankruptcy administrator outlining opportunities for available credit counseling and assisting the debtor in performing a related budget analysis.

6. After a Chapter 13 bankruptcy petition is filed, a

debtor typically receives an official notice from the United States Bankruptcy Court setting forth the date, time and place of a "Section 341" meeting of the debtor and his or her creditors to be convened by the United States Trustee. The debtor must attend the meeting and submit to an examination under oath. At the meeting, the debtor is questioned about his debts, income, and assets. In addition, the debtor is required to produce documents concerning the debtor's financial condition, including but not limited to, the debtor's federal tax return.

7. Eventually, if the debtor does not attend court proceedings concerning the Chapter 13 bankruptcy petition, the debtor's petition is dismissed. Should the debtor seek to file bankruptcy on a subsequent occasion during the following six years, the debtor will be required to list the prior dismissed bankruptcy case on the subsequent petition.

Overview of The Scheme to Defraud

8. VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, and her co-conspirators, through Revelations, solicited individuals who were facing foreclosure proceedings on their homes, promising those individuals that - in exchange for fees paid to Revelations - the individuals would be able to stay in their homes without making their mortgage payments and would be able to purchase their homes at foreclosure auctions for a fraction of the dollar amount of their mortgage obligations.

Revelations conducted its solicitation of "clients" primarily through mailings sent to the clients' homes.

9. In truth and in fact, VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, and her co-conspirators defrauded Revelations' clients and did so in part by use of the United States Bankruptcy courts. In order to delay foreclosures, TOBIN and her co-conspirators, among other things, filed fraudulent bankruptcy petitions and other false documents in their clients' names and instructed the clients not to attend bankruptcy court proceedings. In doing so, TOBIN and her co-conspirators sought to obtain as much money as possible, for as long as possible, from Revelations' clients. When the fraudulent bankruptcy petitions filed by TOBIN and her co-conspirators ultimately were dismissed by the bankruptcy courts, Revelations ceased contact with its clients, who faced imminent eviction from their homes, and who already had paid significant sums of money to Revelations.

The Scheme to Defraud

10. During the time period relevant to this Information, flyers were mailed in Revelations' name to individuals who were in danger of foreclosure stating that Revelations could assist the individuals in delaying the foreclosure of their homes. The flyers typically advised individuals that they would be able to stay in their homes

without making their mortgage payments. The flyers, each of which contained similar language, purported to be sent by two co-conspirators not named herein as defendants ("CC-1" and "CC-2"). In order to gain the trust of the homeowners, the flyers claimed that CC-1 and CC-2 had previously been served with foreclosure summonses with respect to their own homes.

11. Individuals who called Revelations in response to the solicitation were typically instructed to travel to Revelations' offices in New Jersey. There, the individuals would meet with one or more of VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, CC-1 and CC-2. Generally, the individuals would be told that Revelations could delay or prevent their foreclosure proceedings in exchange for an initial upfront fee and subsequent monthly fees. In addition, the individuals typically would be told that they would not have to pay their mortgages for approximately two years and that after two years, they could repurchase their homes at a fraction of the dollar amount of their outstanding mortgage obligation and that Revelations would assist them in doing so.

12. Thereafter, with or without informing the clients, employees of Revelations, at the direction of one or more of VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, CC-1 and CC-2, often prepared and filed Chapter 13 bankruptcy petitions in the clients' names. The Chapter 13 petitions were not filed for

the purpose of having the clients engage in Chapter 13 reorganization of their debts, but for the improper purpose of using the United States bankruptcy laws to forestall the foreclosure of the clients' homes as long as possible while Revelations continued to collect its monthly fees.

13. The clients' Chapter 13 petitions, signed under penalty of perjury, purported to have been filed pro se by the clients, without assistance from any bankruptcy petition preparer or attorney and each contained a Chapter 13 voluntary petition form which listed, among other things, basic personal identification information for the client.

14. In furtherance of the scheme to defraud, Revelations' employees included false information about the client's finances on required schedules to the bankruptcy petitions. For instance, the schedules listed only a single creditor – the mortgage holder for the client's home – and fraudulently omitted Revelations as an unsecured creditor even though the clients had agreed to pay monthly fees to Revelations as VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, CC-1 and CC-2 well knew.

15. On the schedules describing the clients' personal property, which included approximately thirty-five possible categories of personal property, the petitions routinely listed personal property in the same few categories, and fraudulently

failed to list personal property in the other categories, which included common items such as automobiles, alimony or support agreements, and sports equipment.

16. In furtherance of the scheme to defraud, employees of Revelations, including VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, frequently called credit counseling agencies, pretending to be the clients for the purposes of the credit counseling briefings. These employees then falsely signed statements of compliance with the credit counseling requirement.

17. Also in furtherance of the scheme to defraud, VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, CC-1 and CC-2 routinely instructed clients to: (1) forward any court documents to Revelations; (2) not attend court proceedings, including Section 341 meetings of the creditors, and (3) in some instances, not mention Revelations if contacted by court personnel.

18. In order to delay the eventual dismissal of a client's bankruptcy petition as long as possible and in order to continue collecting monthly payments from clients, VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, and her co-conspirators filed and caused to be filed in the United States Bankruptcy Courts motions seeking relief, which motions falsely claimed to have been signed by the pro se clients.

19. In other instances, employees of Revelations

prepared, signed and mailed fraudulent letters, purporting to be from clients to the Chapter Thirteen Standing Trustee setting forth phony excuses as to why the clients could not attend the Section 341 creditors' meetings and asking for postponements of the meetings.

20. In some instances, when a bankruptcy petition was dismissed, employees of Revelations filed a subsequent bankruptcy petition, again for the sole purpose of improperly using the United States bankruptcy laws to delay foreclosure of a client's home. In doing so, employees of Revelations failed to disclose the first dismissed bankruptcy as required.

21. Revelations also utilized a marketing program known as "Cash for Keys" to defraud its clients. Under "Cash for Keys," a client facing foreclosure would hand over his/her home to CC-1 via a quitclaim deed - which is a deed that terminates an individual's right to own a certain piece of property and authorizes the transfer of the property to another person. CC-1 or another co-conspirator not named as a defendant herein ("CC-3") would then cause the homes be renovated and thereafter rented to individuals looking to rent a house. CC-1 or CC-3 would own the property through a limited liability company ("LLC") with a fictitious name as President of the LLC. When a bank would attempt to initiate foreclosure proceedings, a bankruptcy would be filed in the name of the LLC.

Statutory Allegations

22. From in or about early 2007 up to and including in or about February 2011, in the Southern District of New York and elsewhere, VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, and others known and unknown, knowingly and willfully, did combine, conspire, confederate, and agree together and with each other, to commit mail fraud and wire fraud, in violation of Title 18, United States Code, Sections 1341 and 1343.

23. It was a part and an object of the conspiracy that VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, and others known and unknown, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, for the purpose of executing such scheme and artifice and attempting so to do, would and did place in a post office and authorized depository for mail matter, matters and things to be sent and delivered by the Postal Service, and deposit and cause to be deposited matters and things to be sent and delivered by private and commercial interstate carriers, and take and receive therefrom, such matters and things, and knowingly cause to be delivered by mail and such carriers according to the direction thereon, and at the place at which they were directed to be delivered by the person to whom they were addressed, such matters and things, in violation of

Title 18, United States Code, Section 1341.

24. It was a further part and an object of the conspiracy that VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, and others known and unknown, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, would and did transmit and cause to be transmitted by means of wire communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, in violation of Title 18, United States Code, Section 1343.

(Title 18, United States Code, Section 1349.)

COUNT TWO

(Mail Fraud)

The United States Attorney further charges:

25. The allegations contained in paragraphs 1 through 21 are hereby repeated, realleged and incorporated by reference as if fully set forth herein.

26. From in or about early 2007 through in or about February 2011, in the Southern District of New York and elsewhere, VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, knowingly and willfully, having devised and intending

to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, for the purpose of executing such scheme and artifice and attempting so to do, placed in a post office and authorized depository for mail matter, matters and things to be sent and delivered by the Postal Service, and deposited and caused to be deposited matters and things to be sent and delivered by private and commercial interstate carriers, and took and received therefrom, such matters and things, and knowingly caused to be delivered by mail and such carriers according to the direction thereon, and at the place at which they were directed to be delivered by the person to whom they were addressed, such matters and things, to wit, TOBIN sent and caused to be sent marketing materials to individuals facing foreclosure.

(Title 18, United States Code, Sections 1341 and 2.)

COUNT THREE

(Bankruptcy Fraud and Obstruction of Justice Conspiracy)

The United States Attorney further charges:

27. The allegations contained in paragraphs 1 through 21 are hereby repeated, realleged and incorporated by reference as if fully set forth herein.

28. From in or about early 2007 through in or about

February 2011, in the Southern District of New York and elsewhere, VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, and others known and unknown, knowingly and willfully, did combine, conspire, confederate, and agree together and with each other, to commit violations of Title 18, United States Code, Sections 152(3), 152(5), 152(9), 157, and 1505.

29. It was a part and an object of the conspiracy that VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, and others known and unknown, would and did knowingly and fraudulently make a false declaration, certificate, verification, and statement under penalty of perjury as permitted under Section 1746 of Title 28, in and in relation to any case under Title 11, in violation of Title 18, United States Code, Section 152(3);

30. It was a further part and an object of the conspiracy that VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, and others known and unknown, would and did knowingly and fraudulently receive a material amount of property from a debtor after the filing of a case under Title 11, with intent to defeat the provisions of Title 11, in violation of Title 18, United States Code, Section 152(5);

31. It was a further part and an object of the conspiracy that VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, and others known and unknown, after the filing of a case under Title 11, would and did knowingly and fraudulently

withhold from a custodian, trustee, marshal, and other officer of the court and a United States Trustee entitled to its possession, recorded information (including books, documents, records, and papers) relating to the property and financial affairs of a debtor, in violation of Title 18, United States Code, Section 152(9);

32. It was a further part and an object of the conspiracy that VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, and others known and unknown, having devised and intending to devise a scheme and artifice to defraud and for the purpose of executing and concealing such a scheme and artifice and attempting to do so, would and did file a petition under Title 11, file a document in a proceeding under Title 11, and make a false and fraudulent representation, claim, and promise concerning and in relation to a proceeding under Title 11 at any time before or after the filing of the petition, and in relation to a proceeding falsely asserted to be pending under such title, in violation of Title 18, United States Code, Sections 157(1), (2), and (3); and

33. It was a further part and an object of the conspiracy that VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, and others known and unknown, would and did knowingly corruptly influence, obstruct, and impede and endeavor to influence, obstruct, and impede the due and proper administration

of the law under which a pending proceeding is being had before a department and agency of the United States, in violation of Title 18, United States Code, Section 1505.

OVERT ACT

34. In furtherance of the conspiracy and to effect the illegal objects thereof, the following overt act, among others, was committed in the Southern District of New York and elsewhere:

a. On or about March 15, 2010, an employee of Revelations, under the direction of VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, filled out a bankruptcy petition in the name of an individual, which was later filed by the individual in the United States Bankruptcy Court for the Southern District of New York in Poughkeepsie, New York.

(Title 18, United States Code, Section 371.)

COUNT FOUR

(Bankruptcy Fraud)

The United States Attorney further charges:

35. The allegations contained in paragraphs 1 through 21 are hereby repeated, realleged and incorporated by reference as if fully set forth herein.

36. From in or about early 2007 up to and including in or about February 2011, in the Southern District of New York and elsewhere, VERONICA TOBIN, a/k/a "Veronica Jackson," the

defendant, knowingly and willfully, having devised and intending to devise a scheme and artifice to defraud and for the purpose of executing and concealing such a scheme and artifice and attempting to do so, filed a petition under Title 11, filed a document in a proceeding under Title 11, and made a false and fraudulent representation, claim, and promise concerning and in relation to a proceeding under Title 11 at any time before or after the filing of the petition, and in relation to a proceeding falsely asserted to be pending under such title, to wit, TOBIN filed with bankruptcy courts: (i) fraudulent voluntary bankruptcy petitions and (ii) fraudulent letters and motions.

(Title 18, United States Code, Sections 157(1), (2), and (3); and 2).

COUNT FIVE

(Conspiracy to Commit Witness Tampering)

The United States Attorney further charges:

37. The allegations contained in paragraphs 1 through 21 are hereby repeated, realleged and incorporated by reference as if fully set forth herein.

38. From in or about early 2007 up to and including in or about February 2011, in the Southern District of New York and elsewhere, VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, and others known and unknown, knowingly and willfully, did combine, conspire, confederate, and agree together and with

each other, to commit offenses against the United States, to wit, obstruction of justice, in violation of Title 18, United States Code, Section 1512.

39. It was a part and an object of the conspiracy that VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, and others known and unknown, would and did knowingly corruptly persuade another person, and attempt to do so, and engage in misleading conduct toward another person, with intent to influence, delay, and prevent the testimony of a person in an official proceeding, in violation of Title 18, United States Code, Section 1512(b)(1).

40. It was a further part and an object of the conspiracy that VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, and others known and unknown, would and did knowingly corruptly persuade another person, and attempt to do so, and engage in misleading conduct toward another person, with intent to cause and induce a person to withhold testimony, and withhold a record, document, and other object from an official proceeding, in violation of Title 18, United States Code, Section 1512(b)(2)(A).

41. It was a further part and an object of the conspiracy that VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, and others known and unknown, would and did knowingly corruptly persuade another person, and attempt to do so, and

engage in misleading conduct toward another person, with intent to cause and induce a person to evade legal process summoning that person to appear as a witness, and to produce a record, document, and other object, in an official proceeding, in violation of Title 18, United States Code, Section 1512(b)(2)(C).

42. It was a further part and an object of the conspiracy that VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, and others known and unknown, would and did knowingly corruptly persuade another person, and attempt to do so, and engage in misleading conduct toward another person, with intent to cause and induce a person to be absent from an official proceeding to which such person had been summoned by legal process, in violation of Title 18, United States Code, Section 1512(b)(2)(D).

43. It was a further part and an object of the conspiracy that VERONICA TOBIN, a/k/a "Veronica Jackson," the defendant, and others known and unknown, would and did knowingly corruptly obstruct, influence, and impede an official proceeding, and attempt to do so, in violation of Title 18, United States Code, Section 1512(c)(2).

(Title 18, United States Code, Section 1512(k).)

COUNT SIX

(Social Security Fraud)

The United States Attorney further charges:

44. From in or about 2006 up to and including in or about August 2011, in the District of New Jersey and elsewhere, VERONICA TOBIN, a/k/a "Victoria Jackson," the defendant, knowingly embezzled, stole, purloined, and converted to her use and the use of another money and things of value of the United States and of a department and agency thereof exceeding the sum of \$1,000, to wit, TOBIN defrauded the Social Security Administration by obtaining more than \$60,000 of Social Security disability payments to which she was not entitled.

(Title 18, United States Code, Section 641.)

FORFEITURE ALLEGATIONS

45. As the result of conspiring to violate Title 18, United States Code, Sections 1341 (mail fraud) and 1343 (wire fraud) as alleged in Count One of this Information; committing mail fraud, in violation of Title 18, United States Code, Section 1341 as alleged in Count Two of this Information; conspiring to commit bankruptcy offenses in violation of Title 18, United States Code, Section 152 as alleged in Count Three of this Information; conspiring to violate Title 18, United States Code, Section 1512 as alleged in Count Five of this Information; and

§ 853(p), to seek forfeiture of any other property of said defendant up to the value of the above forfeitable property.

(Title 18, United States Code, Section 981; Title 21, United States Code, Section 853(p); and Title 28, United States Code, Section 2461.)

Preet Bharara
PREET BHARARA
United States Attorney

